INFORMATION LETTER

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International Sugar Agreement

A provisional agreement for the control of the international marketing of sugar was published in London August 24 by the International Sugar Conference.

The marketing agreement would establish a price range of 3.25 to 4.35 cents a pound for raw sugar and would provide quotas for exports from each of the exporting countries, totaling 5.39 million tons. Cuba would have the largest export quota, amounting to 2.25 million tons.

The agreement also provides a pattern whereby export quotas can be increased if individual countries fail to meet their quotas or if world demand for sugar increases. Export quotas would be increased automatically when the world price exceeds the maximum agreement price.

The agreement would be administered by an International Sugar Council, on which the United States and Cuba each would have 245 votes out of the total of 2,000.

The provisional agreement will be opened for signature in London from September 15 through October 31. It is tentatively scheduled to be effective January 1, 1954, subject to ratification by each of the signatories.

International Trade Study

Appointments to the advisory committee of business leaders to assist the Senate Committee on Banking and Currency in its study of international trade include an additional representative of the canning industry:

William B. Stokely, Jr., chairman of the board of directors, Stokely-Van Camp, Inc., Indianapolis, Ind.

Foreign Economic Policy

The President on August 22 completed the formation of the Commission on Foreign Economic Policy, which will make a comprehensive study of U. S. trade policies and programs.

The 17-man group is headed by Clarence Randall, chairman of the

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FDA Reports on Actions It Has Taken to Implement New Factory Inspection Amendment to Food and Drug Act

The Food and Drug Administration on August 27 reported actions it has taken to put into effect the provisions of the new inspection amendment to the Federal Food, Drug, and Cosmetic Act. Following is the text of the FDA statement:

"Commissioner of Food and Drugs Charles W. Crawford said that FDA inspectors are now giving written notice of intention to inspect at the time when they present their credentials to the owner, operator, or agent in charge of the plant. Such notices give the date, time of day, name of the inspector and the address of the district office to which he is assigned, and the name and address of the plant.

"Inspectors are also leaving written reports on conditions or practices which indicate that any products in the establishment contain filth or decomposition or have been prepared, packed or held under insanitary conditions. Inspectors leave these reports with the individual to whom they presented the notice of inspection, or if he is not available at the close of inspection, with another responsible official.

"In compliance with other provisions of the new law, inspectors are now giving written receipts for all samples taken in connection with an inspection. District offices of the Food and Drug Administration will report promptly to the management of food plants the results of analyses of food samples taken in such plants for determining the presence of filth or decomposition.

"In connection with these actions Commissioner Crawford said that while some phases of FDA inspections are now clearly on a mandatory basis, there are others which Congress apparently intended to be put on a voluntary basis.

"In explanation he said:

" 'The law provides penalties for refusal to permit inspection of factories, warehouses, establishments or vehicles in which foods, drugs, cosmetics or devices are manufactured, processed, packed or held for introduction into interstate commerce, or held after such introduction, or in which they are transported, and all pertinent equipment, finished and unfinished materials, containers and labeling therein.

"Modern production and distribution are carried on to a large extent through the medium of written instructions and records. The legislative history indicates Congress did not intend to include prescription files, formula files, complaint files, and personnel files within the scope of required inspections. FDA interprets this to mean that inspection of these records will be on a voluntary basis.

"Accordingly, inspectors have been instructed to ask permission to see such records or files whenever there is any need or reason to examine them or to obtain information contained in them.

"The inspector may state reasons for asking to examine a particular record or file but will not otherwise press the owner, operator or agent for permission to see it.

"The Food and Drug Administration will not attempt to predetermine what action may be appropriate in future situations which seem to necessitate inspection of records, but will endeavor to resolve these problems as they arise, keeping in mind the health, safety and interest of consumers and the Congressional intent in the statute as a whole to protect public health.

"In 47 years since passage of the original Pure Food and Drug Law the great majority of the regulated industries have always cooperated fully in observing its provisions and by assisting in our work of enforcement. We have every reason to believe the regulated industries will continue this cooperation.' "

STATISTICS

1953 Pack of Asparagus

The 1953 pack of canned asparagus totaled 4,489,267 actual cases compared with the 1952 pack of 4,596,190 cases, according to a report by the N.C.A. Division of Statistics.

About 45 percent of the 1953 asparagus pack was in No. 300 and No. 303 cans, 18.5 percent in No. 2 cans, and 19 percent in No. 1 picnic cans.

	1952	1953
	(*actual cases*)	
All Green:		
New Jersey	666,961	443,992
Illinois	429,610	563,993
Michigan	559,615	504,909
Wash.-Ore.	388,464	396,077
California	996,672	934,864
Other states	276,925	299,966
Total all green	3,318,247	3,143,801
White:		
California	1,277,943	1,345,466
U. S. Total	4,596,190	4,489,267

Canned Baby Food Stocks

Details of the canned baby food supply, stock and shipment situation are reported by the N.C.A. Division of Statistics as follows:

	1952	1953	Percent change from 1952
	(*thousands of dozens*)		
Canner stocks, Jan. 1	57,522	55,300	−4
Pack, Jan. through July	65,257	76,888	+18
Supply	122,779	132,188	+8
Canner stocks, Aug. 1	40,761	44,365	+9
Canner shipments during July	13,278	13,018	−2
Canner shipments, Jan. 1 to Aug. 1	82,018	87,823	+7

Stocks of Bulk Sauerkraut

The following report on bulk sauerkraut in canners' hands, which was compiled by the N.C.A. Division of Statistics, represents kraut cut from the 1952 crop of cabbage and consists of the bulk kraut on hand in vats and in cases of canned kraut converted to barrels, 10 cases to the barrel regardless of size.

Region	Aug. 1, 1952	June 1, 1953	Aug. 1, 1953
	(*45-gallon barrels*)		
Northeast	37,094	94,610	72,392
Midwest	50,319	47,396	36,582
South	12,868	7,702	4,373
West	4,899	6,872	2,781
U. S. Total	105,180	156,580	116,128

Northeast includes Conn., Md., N. Y., and Pa. Midwest includes Ill., Ind., Iowa, Minn., Ohio, and Wis. South includes Mo., N. C., Tenn., and Texas. West includes Colo., Ore., Utah, and Wash.

Summary of 1952-53 Season Shipments and Carryovers

Total carryover stocks of canned foods in canners' hands at the close of the 1952-53 season are lower than a year ago, and season shipments were above last year, according to a compilation by the N.C.A. Division of Statistics.

Carryover—The value of June inventories for the canning and preserving industry is 12 percent below the value reported a year ago, according to the U. S. Department of Commerce. This is in contrast to total business and total manufacturing inventories for June, 1953, each of which is reported at more than 6 percent above the value of inventories on hand in June of 1952.

The sales inventories ratio for the canning industry was 1.1 in June of 1953, compared with 2.3 a year ago.

Retail food store inventories are 3 percent under a year ago, and sales are up more than 3 percent.

Supply — The 1953-54 packs of canned foods will probably be about the same as a year ago. The fruit pack is expected to be slightly higher and canned vegetables lower. This situation, combined with the smaller carryover, will mean a total supply in 1953-54 that will be less than the supply available during the past year. This indicates some probable shortages in certain items before the year is over.

Demand—Consumer income and expenditures have reached a new high. Consumer demand for canned foods has continued strong. Per capita consumption of some items will reach a record high in 1952-53. The outstanding example is canned corn, consumption of which may approach 6 pounds per capita. With continued high consumer income and the expected leveling off of canned food prices, which are already at relatively lower price levels than many foods, consumer demand should be expected to continue strong.

Industry Expansion—Expenditures by the canning industry for new equipment and plant modernization is expected to continue at a high level throughout 1953. In the first nine months of 1952 the food and kindred products manufacturing industry spent $402 million on new plant and equipment items. The U. S. Department of Commerce reports that in the first nine months of 1953 the industry is expected to spend $381 million, a decline of about 5 percent below a year ago.

Shipments—Total combined shipments of canned fruits, vegetables, juices, and baby foods from canners' warehouses during the 1952-53 season were practically identical with shipments of a year ago and 7 percent above the 1948-52 five-year average. The following table shows the comparison of shipments and carryover stocks for the current season, a year ago, and the 1948-52 five-year average for both canned and frozen foods:

Carryover Stocks and Season Shipments—Canned and Frozen Foods

	Unit	Carryover Stocks: 1953 million	Carryover Stocks: Percent change from 1952	Carryover Stocks: Percent change from 1948-52 ave.	Season Shipments: 1953 million	Season Shipments: Percent change from 1952	Season Shipments: Percent change from 1948-52 ave.
Grand Total:							
Canned	cases	46.9	−4	+8	285.9	+0.02	+7
Frozen	pounds	1,041.0	+4	+27	727.3[a]	+8	n.a.
Fruits:							
Canned[b]	24/2½	8.2	−34	−17	58.0	+4	+7
Frozen	pounds	292.2	−4	−2	265.9[a]	+3	n.a.
Vegetables:							
Canned	24/2	22.5	+20	+30	144.5	−4	+5
Frozen	pounds	465.1	+21	+56	423.6[a]	+10	n.a.
Juices:							
Canned[c]	24/2	10.5	−16	−5	65.7	+5	+10
Frozen	pounds	283.6	−9	n.a.	37.8[a,d]	+25	n.a.
Baby foods	24/2	5.7	+11	+6	17.7	+7	+14

[a] First seven months of each year. [b] Excluding pineapple. [c] Excluding pineapple juice. [d] Frozen concentrated orange juice only. n.a.—Not available.

Canned Fruit—On the basis of equivalent cases of 24/2½, canned fruit (excluding pineapple) carryovers this year amounted to 8.2 million cases, fully one-third less than the 12.3 million cases a year ago. In contrast, shipments (excluding pineapple) during the 1952-53 season were approximately 58 million cases, equivalent 24/2½, which is 4 percent above the 56 million of the previous year.

Canned Vegetables — Carryover stocks of canned vegetables this year were 22.5 million cases equivalent 24/2, 20 percent above the 18.8 million cases of a year ago. Canned vegetable shipments during the past season were 144.5 million cases equivalent 24/2, which was 4 percent less than the 150.2 million of the previous year.

Canned Juices — Total carryover stocks of canned juices (excluding pineapple) in canners' hands totaled 10.5 million cases, 16 percent less than the 12.5 million of a year ago. Shipments amounted to 65.7 million cases, equivalent 24/2, 5 percent above the previous year's shipments of 62.7 million.

Canned Baby Food—Shipments of canned baby food are heading for a new record in 1953. Shipments to August 1 indicate an annual total approaching 150 million dozens, compared with the previous record of 134 million dozens in 1952, an increase of more than 10 percent.

Summary of Stocks and Shipments —Following is a summary, prepared by the N.C.A. Division of Statistics, of stocks of principal canned foods held by canners on August 1 and season shipments to August 1, with comparisons:

The Fruit Situation

Some increase in total tonnage of deciduous fruits processed in 1953 seems likely, according to a report by the Bureau of Agricultural Economics in *The Fruit Situation.*

With the deciduous crop nearly the same as in 1952 and strong demand for processing, grower prices for fruit during September and October probably will average about the same as in these months of 1952.

Total production of deciduous fruits in 1953 is expected to be slightly smaller than in 1952 and about 5 percent under the 1942-51 average, according to BAE.

Following are summaries of production indications as reported by BAE:

Apples—Production of apples in commercial areas was estimated as of August 1 at 100.4 million bushels, 9 percent larger than in 1952 but 8 percent smaller than the 1942-51 average. Large increases are expected in several states where much of the processing is done—New York, New Jersey, Michigan, and Washington; lower production is foreseen in Virginia, West Virginia, and California; while the crop is about the same as last year in Pennsylvania and Oregon.

Prices for the entire 1953 apple crop are expected to average higher than for most crops of recent years.

Peaches—The peach crop was estimated August 1 at 64,009,000 bushels, 2 percent larger than the 1952 crop but 4 percent below the 1942-51 average. The California freestone crop is down 7 percent. The clingstone crop is 14 percent larger than in 1952, and grower prices for clings probably will average lower than last year. Peach production also is up in Washington, but down in Michigan.

Pears—The pear crop was estimated as of August 1 at 30,479,000 bushels, about 1.5 percent smaller than the 1952 crop but a little above the 1942-51 average. Production in California, Oregon, and Washington accounts for 25,937,000 bushels, about 2.5 percent below 1952. However, the Bartlett crop of 18,720,000 bushels is 8 percent under 1952.

Prices for pears for canning, especially California Bartletts, are expected to average considerably higher than in 1952.

Sweet cherries—The crop of sweet cherries was estimated as of August 1 at 95,610 tons, 4 percent smaller than the 1952 crop but 4 percent larger than the 1942-51 average. Substantial increases in production in Oregon and Washington were more than offset by heavy decreases in other states, especially California, Utah, and Idaho.

Sour cherries—Production of sour cherries was estimated as of August 1 at 134,130 tons, 14 percent larger than in 1952 and 26 percent above the 1942-51 average. As a result of the larger crops in the principal eastern producing states, larger quantities of sour cherries were processed in 1953. Prices received by growers for sour cherries for processing have averaged higher than in 1952.

Citrus—Supplies of California Valencias remaining to be marketed after August 1 were about one-fifth larger than a year earlier. Because size of individual oranges is tending to run smaller than a year ago, a larger percentage of the crop may be processed than in 1952.

In 1952, for the first time, output of frozen citrus juices exceeded that of canned juices, single-strength basis.

The 1953 output of canned fruit juices, which includes the completed citrus pack, is expected to be smaller than in 1952.

Cranberries — The 1953 crop of cranberries will be the first to reach and pass the million-barrel mark, according to prospects on August 15. Production is estimated at 1,075,400 barrels, 36 percent larger than the 1952 crop of 790,500 barrels and the 1942-51 average of 788,170 barrels.

Summary of Canners' Stocks on August 1 and Season Shipments

Item	Carryover month*	Canners' Carryover Stocks 1948-52 ave.	1952	1953	Total Season Shipments 1948-52 ave.	1952	1953
		(thousands of standard cases)					
Fruits (24/2½)		9,902	12,321	8,190	54,109	55,772	57,998
Apples	Aug.	1,488[a]	1,178	164	3,873[a]	3,736	3,369
Apple sauce	Aug.	1,483[a]	827	107	6,362[a]	6,808	6,252
Apricots	June	701	621	666	3,671	4,108	3,959
Cherries, sweet	June	117	125	263	926	830	1,157
Cherries, R&P	July	45	177	79	2,885	3,450	2,989
Fruit cocktail	June	1,859	2,583	1,221	8,898	7,946	9,668
Grapefruit segments	.....	581	728	582	2,160	1,984	2,276
Peaches	June	2,492	3,899	3,152	18,309	19,529	20,081
Pears	June	888	1,657	1,523	5,448	5,595	6,684
Purple plums	June	248[b]	526	433	1,467[b]	1,786	1,563
Vegetables (24/2)		17,318	18,765	22,499	137,862	150,193	144,555
Asparagus	March	428	854	884	4,109	4,449	4,324
Beans, green & wax	July	1,207	2,307	303	17,691	18,522	18,350
Beans, Lima	Aug.	479	622	193	2,923	2,976	2,745
Beets	July	848	1,798	1,324	6,167	7,133	7,167
Carrots	July	375	210	551	2,153	2,326	2,434
Corn	Aug.	2,164	365	1,934	26,217	25,544	30,759
Peas	June	3,907	4,114	2,998	28,701	30,788	27,625
Pumpkin & squash	July	686	56	1,635	2,643	4,339	3,829
Sauerkraut	Aug.	2,174[a]	1,529	1,729	9,187[a]	9,001	7,906
Tomatoes	July	2,076	2,088	5,749	24,983	29,753	24,320
Catsup	July	2,748	4,499	4,866	12,230	14,399	14,100
Chili sauce	July	226	323	333	858	963	996
Juices (24/2)		11,005	12,474	10,489	59,464	62,673	65,671
Orange	.....	2,977	2,895	1,627	17,241	16,850	15,639
Grapefruit	.....	2,238	2,292	1,531	7,915	8,946	9,683
O-G Blend	.....	1,517	1,380	474	7,701	5,634	5,492
Tomato	July	4,273	5,907	6,857	26,607	31,243	34,857
Baby food (24/2)	.....	5,358	5,095	5,674	15,374	16,598	17,706
Grand Total		43,583	48,655	46,852	267,009	285,236	285,930

* Carryover except citrus products and baby foods, which are August 1 figures. [a] 1951-52 average. [b] 1949-52 average.

PERSONNEL

Dr. Stier Addresses Bar Group

Dr. H. L. Stier, Director of the N.C.A. Division of Statistics, delivered a paper at one of the sessions at the annual meeting of the American Bar Association this week in Boston. Entitled "Use of Modern Statistical Methods in Regulatory Activities," the paper was presented before the Division of Food, Drug and Cosmetic Law.

Skinner Leaving Tri-State Post

Calvin L. Skinner, secretary-treasurer of the Tri-State Packers Association, Easton, Md., has been appointed executive secretary and general manager of the National Chinchilla Breeders of America and of its companion organization, The Farmer's Chinchilla Cooperative Association, Inc., effective October 1. Mr. Skinner's new position and work will locate him in Salt Lake City, Utah. His successor as head of the Tri-State group has not yet been named.

Mr. Skinner has been with the Tri-State Packers Association since 1941 when he began service as assistant secretary. He became full secretary in 1943 and took on the additional duties of treasurer in 1950. In the Association of Canners State and Regional Secretaries he has given service as secretary-treasurer, vice president, and president.

A graduate of Sudlersville High School, Sudlersville, Md., and of University of Maryland, with a B.S. degree in agriculture, Mr. Skinner, prior to his canning association service, had been engaged in farm work and as an instructor of vocational agriculture at Cordova High School, Md.

PROCUREMENT

Canned Beef for USDA

The Production and Marketing Administration, USDA, has announced purchase of 3,155,000 pounds of canned beef at an average price of 38.74 cents per pound, f.o.b. plant, during the week of August 17. The purchases were made with Section 32 funds. This raises total USDA purchases of canned beef to 37,464,260 pounds.

Foreign Economic Policy

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board of Inland Steel Corporation of Chicago. Others appointed by the President are:

John Hay Whitney, senior partner of J. H. Whitney & Co., investment bankers, New York City;

Jesse W. Tapp, executive vice president of The Bank of America, San Francisco;

David J. McDonald of Pittsburgh, president of the United Steelworkers of America, C.I.O.;

Cola G. Parker, chairman of the Board of Kimberly-Clark Corporation (paper), Neenah, Wis.;

Lamar Fleming, Jr., president of Anderson, Clayton & Company (cotton), Houston; and

John H. Williams, Nathaniel Ropes professor of political economy at Harvard University.

Congressional members of the Commission are:

Senators Millikin (Colo.), Hickenlooper (Iowa), Bush (Conn.), George (Ga.), and Byrd (Va.); and

Representatives Reed (N.Y.), Simpson (Pa.), Vorys (Ohio), Cooper (Tenn.), and Richards (S.C.).

The Commission is to report within 60 days after the next regular session of Congress is convened. It is expected that its recommendations may lead to changes in United States trade programs, including the trade agreements program and present standards for protecting domestic industry against excessive imports.

Mr. Tapp lists himself in *Who's Who in America* as an agricultural economist. He served in that capacity in USDA, 1920-28; was with the AAA, 1933-39, serving as assistant administrator for three years; president and a director of the Federal Surplus Commodities Corporation, 1937-39; and a director of the Federal Crop Insurance Corporation, 1938-39. For two months during 1943 he was associate administrator of the War Foods Administration. He joined The Bank of America in 1939 and, except for brief absences, has been vice president since.

SUPPLIES

Shipments of Metal Cans

Shipments of metal cans for fruits, vegetables, and juices during the first six months of 1953 amounted to about one percent less than the volume shipped during the same period of 1952, according to a report by the Bureau of the Census, U. S. Department of Commerce. Shipments of cans for fish and sea food during the first half of the year were up, as were total shipments of cans for all types of food.

	Jan. through June	
	1952	1953
	(short tons of steel)	
Fruit and vegetable (including juice)	430,455	425,771
Fish and sea food	43,916	47,584

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